

DE-4009**25**

DISTANCE EDUCATION

B.B.M. DEGREE EXAMINATION, DECEMBER 2008.

FOREIGN EXCHANGE AND FINANCING OF FOREIGN
TRADE

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

Each answer should not exceed 1 page.

1. Explain the features of CIF and EXW terms.
2. State the features of invoice.
3. Explain the objectives of exchange control.
4. Explain the features of any two types of foreign currency accounts with suitable examples.
5. Give an account for consignment exports.
6. Explain the features of export performance guarantee with an example.
7. What is forfeiting? State its features.
8. Explain the features of overseas investment insurance cover of the ECGC.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

Each answer not to exceed 3 pages.

9. Explain the methods of correcting disequilibrium in balance of payments.
10. Elaborate the features of marine insurance policy.
11. Discuss the functions of foreign exchange department of a commercial bank.
12. Examine the role of commercial banks in financing exports at the post - shipment stage.
13. Explain the features of various types of export guarantees.
14. Explain the role of EXIM bank in financing Indian commercial banks.
15. Describe the features of standard policy of the ECGC.
